

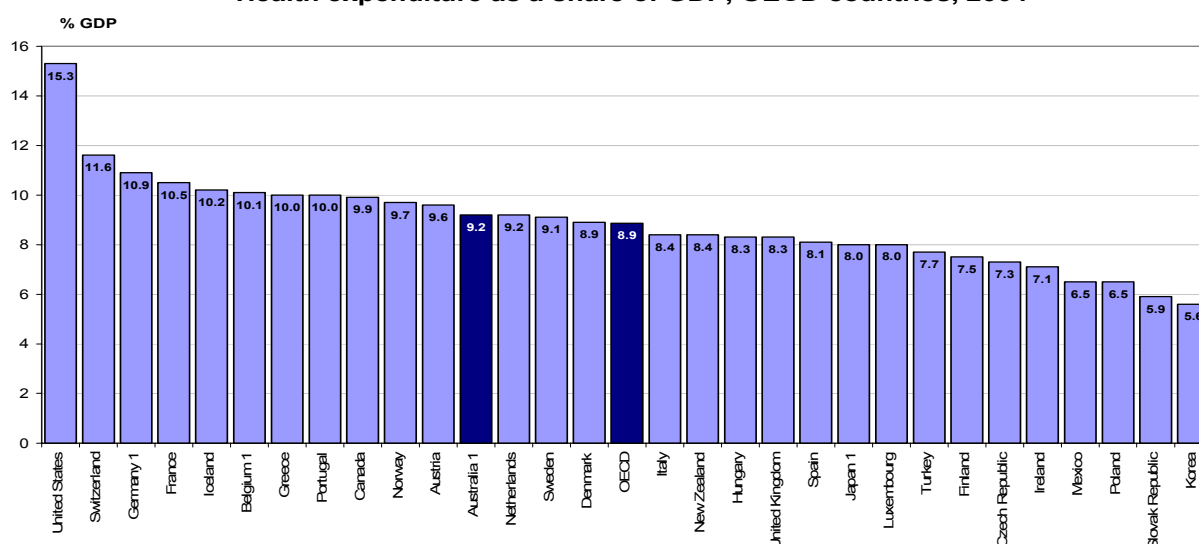
OECD Health Data 2006

How Does Australia Compare

Total health spending accounted for 9.2% of GDP in **Australia** in 2003, slightly higher than the average of 8.9% in OECD countries. Health spending as a share of GDP is lower in **Australia** than in the United States (which spent 15.3% of its GDP on health in 2004) and in a number of European countries such as Switzerland, Germany and France (which allocated 10.5% or more of their GDP on health).

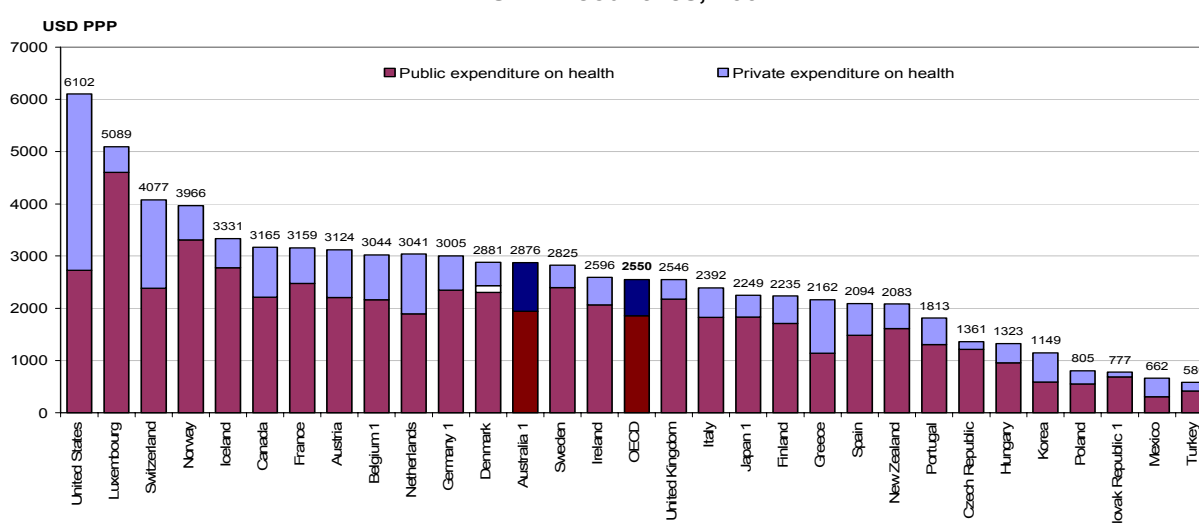
Australia also ranks above the OECD average in terms of total health spending per capita, with spending of 2876 USD in 2003 (adjusted for purchasing power parity), compared with an OECD average of 2550 USD. Health spending per capita in **Australia** remains nonetheless much lower than in the United States (which spent 6100 USD per capita in 2004) and in Luxembourg, Switzerland and Norway.

Health expenditure as a share of GDP, OECD countries, 2004



1. 2003. Source: OECD Health Data 2006, June 2006.

Health expenditure per capita, public and private expenditure, OECD countries, 2004



1. 2003. Source: OECD Health Data 2006, June 2006.

Data are expressed in US dollars adjusted for purchasing power parities (PPPs), which provide a means of comparing spending between countries on a common base. PPPs are the rates of currency conversion that equalise the cost of a given 'basket' of goods and services in different countries.

Between 1999 and 2004, health spending per capita in **Australia** increased in real terms by 5.6% per year on average, a growth rate higher than the OECD average of 5.2% per year.

The rise in pharmaceutical spending has been one of the factors behind the rise in total health spending in **Australia** as well as in many other OECD countries. In 2002, spending on pharmaceuticals accounted for 14.2% of total health spending in **Australia**, up from 12.6% in 1999 and 11.0% in 1994.

The public sector is the main source of health funding in all OECD countries, except the United States and Mexico. In **Australia**, 67.5% of health spending was funded by public sources in 2003, below the average of 73% in OECD countries. The share of public spending in **Australia** has been relatively stable since 1990. In 2004, the share of public spending among OECD countries was the lowest in the United States (45%) and Mexico (46%), and relatively high (over 80%) in several Nordic countries (Denmark, Norway and Sweden), the United Kingdom and Japan.

Resources in the health sector (human, physical, technological)

There are fewer physicians per capita in **Australia** than in most other OECD countries. In 2003, **Australia** had 2.6 practising physicians per 1 000 population, below the OECD average of 3.0.

On the other hand, there were 10.4 qualified nurses per 1 000 population in **Australia** in 2003, a higher figure than the average of 8.3 in OECD countries.

The number of acute care hospital beds in **Australia** was 3.6 per 1 000 population in 2003, lower than the OECD average of 4.1 beds per 1 000 population. As in most OECD countries, the number of hospital beds per capita in **Australia** has fallen over time. This decline has coincided with a reduction of average length of stays in hospitals and an increase in the number of surgical procedures performed on a same-day (or ambulatory) basis.

During the past decade, there has been rapid growth in the availability of diagnostic technologies such as computed tomography (CT) scanners and magnetic resonance imaging (MRI) units in most OECD countries. In **Australia**, the number of MRIs also increased over time, to reach 3.7 per million population in 2004. Despite this increase, **Australia** was still lagging behind the OECD average of 8.0 MRI units per million population.

Health status and risk factors

Most OECD countries have enjoyed large gains in life expectancy over the past 40 years, thanks to improvements in living conditions, public health interventions and progress in medical care. In 2004, life expectancy at birth in **Australia** stood at 80.6 years, more than two years higher than the OECD average. Only Japan, Switzerland and Iceland have a higher life expectancy.

The infant mortality rate in **Australia**, as in other OECD countries, has fallen greatly over the past decades. It stood at 4.7 deaths per 1 000 live births in 2004, lower than the OECD average of 5.7%. Infant mortality is the lowest in Japan and in Nordic countries (Iceland, Sweden, Norway and Finland).

The proportion of daily smokers among adults has shown a marked decline over the past twenty-five years in most OECD countries. **Australia** provides an example of a country that has achieved remarkable progress in reducing tobacco consumption, with rates of daily smokers among adults down from 35.4% in 1983 to 17.7% in 2004, one of the lowest rates among all OECD countries.

At the same time, obesity rates have increased in recent decades in all OECD countries, although there remain notable differences across countries. In **Australia**, the obesity rate among adults, based on actual measures of height and weight, was 21.7% in 1999 (latest year available). It remains lower than in the United States (30.6% in 2002) and about equal to the obesity rate in New Zealand (20.9% in 2003), in Canada (22.4% in 2004) and in the United Kingdom (23% in 2004)¹. Given the time lag between the onset of obesity and related health problems (such as diabetes, cardiovascular diseases and asthma), the growing prevalence of obesity in most OECD countries, including **Australia**, will mean higher health care costs in the future.

More information on *OECD Health Data 2006* is available at www.oecd.org/health/healthdata.

For more information on OECD's work on Australia, please visit www.oecd.org/australia.



¹ It should be noted that the data for Canada, the United States, the United Kingdom, Australia and New Zealand are more accurate than those from other countries since they are based on *actual measures* of people's height and weight, while estimates for other countries are based on *self-reported* data, which generally underestimate the real prevalence of obesity.